### THE DONOVAN PLAN FOR THE ESTABLISHMENT

#### OF A CENTRAL INTELLIGENCE AUTHORITY

General Donovan felt that the leak had been intentional on the part of someone who wished to discredit the plan, and who hoped that the widespread publicity would force it into oblivion. If this was the case the intent was nearly successful. But when the leak was carefully investigated by the JSC it was found to be due to no fault on the part of either OSS, the War Department or the Navy Department.

The publicity took place early in February 1945, a date to be compared with that of the document itself. Shortly afterward the succeeding paper in this collection, JIC 239/5, was also given the same sort of publicity after it had been presented to the JCS by the JSSC (Joint Strategic Survey Committee). The publicizing of this document removed suspicion from the Donovan Plan, which thereafter was once more accepted at its face value.

The one point in the draft which finally stood out as truly controversial was Donovan's insistence that the centralized service should exist under the direct supervision of the President. This should be bornnin mind in making comparisons of this document with those which appear later.

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18 November 1944

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## MEMORANDUM FOR THE PRESIDENT

Pursuant to your note of 31 October 1944 I have given consideration to the organization of an intelligence service for the post-war period.

In the early days of the war, when the demands upon . intelligence services were mainly in and for military operations, the OSS was placed under the direction of the JCS.

Once our enemies are defeated the demand will be equally pressing for information that will aid us in solving the problems of peace.

This will require two things:

- 1. That intelligence control be returned to the supervision of the President.
- 2. The establishment of a central authority reporting directly to you, with responsibility to frame intelligence objectives and to collect and coordinate the intelligence material required by the Executive Branch in planning and carrying out national policy and strategy.

I attach in the form of a draft directive (Tab A) the means by which I think this could be realized without difficulty or loss of time. You will note that coordination and centralization are placed at the policy level but operational intelligence (that pertaining primarily to Department action) remains within the existing agencies concerned. The creation







of a central authority thus would not conflict with or limit necessary intelligence functions within the Army, Navy, Department of State and other agencies.

In accordance with your wish, this is set up as a permanent long-range plan. But you may want to consider whether this (or part of it) should be done now, by executive or legislative action. There are common-sense reasons why you may desire to lay the keel of the ship at once.

The immediate revision and coordination of our present intelligence system would effect substantial economies and aid in the more efficient and speedy termination of the war.

Information important to the national defense, being gathered now by certain Departments and agencies, is not being used to full advantage in the war. Coordination at the strategy level would prevent waste, and avoid the present confusion that leads to waste and unnecessary duplication.

Though in the midst of war, we are also in a period of transition which, before we are aware, will take us into the tumult of rehabilitation. An adequate and orderly intelligence system will contribute to informed decisions.

We have now in the Government the trained and specialized personnel needed for the task. This talent should not be dispersed.

William J. Donovan Director



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TAB A

#### SUBSTANTIVE AUTHORITY NECESSARY IN ESTABLISHMENT OF A CENTRAL INTELLIGENCE SERVICE

In order to coordinate and centralize the policies and actions of the Government relating to intelligence:

- 1. There is established in the Executive Office of the President a central intelligence service, to be known as the \_\_\_\_\_\_\_, at the head of which shall be a Director appointed by the President. The Director shall discharge and perform his functions and duties under the direction and supervision of the President. Subject to the approval of the President, the Director may exercise his powers, authorities and duties through such officials or agencies and in such manner as he may determine.
- an Advisory Board consisting of the Secretary of State, the Secretary of War, the Secretary of the Navy, and such other members as the President may subsequently appoint.

  The Board shall advise and assist the Director with respect to the formulation of basic policies and plans of the

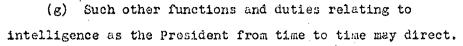
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#### functions and duties:

- (a) Coordination of the functions of all intelligence agencies of the Government, and the establishment of such policies and objectives as will assure the integration of national intelligence efforts;
- (b) Collection either directly or through existing Government Departments and agencies, of pertinent information, including military, economic, political and scientific, concerning the capabilities, intentions and activities of foreign nations, with particular reference to the effect such matters may have upon the national security, policies and interests of the United States;
- (c) Final evaluation, synthesis and dissemination within the Government of the intelligence required to enable the Government to determine policies with respect to national planning and security in peace and war, and the advancement of broad national policy;
- (d) Procurement, training and supervision of its intelligence personnel;
  - (e) Subversive operations abroad;
- (f) Determination of policies for and coordination of facilities essential to the collection of information under subparagraph "(b)" hereof; and





- 4. The \_\_\_\_\_ shall have no police or law-enforcement functions, either at home or abroad.
- 5. Subject to Paragraph 3 hereof, existing intelligence agencies within the Government shall collect, evaluate, synthesize and disseminate departmental operating intelligence, herein defined as intelligence required by such agencies in the actual performance of their functions and duties.
- 7. All Government Departments and agencies shall make available to the Director such intelligence material as the Director, with the approval of the President, from time to time may request.
- 8. The \_\_\_\_\_ shall operate under an independent budget.
- 9. In time of war or unlimited national emergency, all programs of the \_\_\_\_\_\_\_\_ in areas of actual or projected military operations shall be coordinated with





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military plans and shall be subject to the approval of the Joint Chiefs of Staff. Parts of such programs which are to be executed in a theater of military operations shall be subject to the control of the Theater Commander.

10. Within the limits of such funds as may be made
available to the, the Director
may employ necessary personnel and make provision for
necessary supplies, facilities and services. The Director
shall be assigned, upon the approval of the President, such
military and naval personnel as may be required in the
performance of the functions and duties of the
The Director may provide for the internal organization
and management of the in such manner
as he may determine.



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18 November 1944 -

Miss Grace Tully The White House Washington, D. C.

Dear Grace:

I am attaching a memorandum for the President dealing with the organization of an intelligence service for the post-war period. Will you please see that it reaches his desk.

Thank you.

Sincerely,

William J. Dohovan Director



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### 18 November 1944



#### MEMORANIUM FOR THE PRESIDENT

Pursuant to your note of 31 October 1944 I have given consideration to the organization of an intelligence service for the post-war period.

In the early days of the war, when the demands upon intelligence services were mainly in and for military operations, the OSS was placed under the direction of the JCS.

Once our enemies are defeated the demand will be equally pressing for information that will aid us in solving the problems of peace.

This will require two things:

- 1. That intelligence control be returned to the supervision of the President.
- 2. The establishment of a central authority reporting directly to you, with responsibility to frame intelligence objectives and to collect and coordinate the intelligence material required by the Executive Branch in planning and carrying cut national policy and strategy.

I attach in the form of a draft directive (Tab A) the means by which I think this could be realized without difficulty or loss of time. You will note that coordination and centralization are placed at the policy level but operational intelligence (that pertaining primarily to Department action) remains within the existing agencies



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In accordance with your wish, this is set up as a permanent long-range plan. But you may want to consider whether this (or part of it) should be done now, by executive or legislative action. There are common-sense reasons why you may desire to lay the keel of the ship at once.

The immediate revision and coordination of our present intelligence system would effect substantial economies and aid in the more efficient and speedy termination of the war.

Information important to the national defense, being gathered now by certain Departments and agencies, is not being used to full advantage in the war. Coordination at the strategy level would prevent waste, and avoid the present confusion that leads to waste and unnecessary duplication.

Though in the midst of war, we are also in a period of transition which, before we are aware, will take us into the tumilt of rehabilitation. An adequate and orderly intelligence system will contribute to informed decisions.

We have now in the Government the trained and specialized personnel needed for the task. This talent should not be dispersed.

William J. Donovan Director SECRET TAB I



# SUBSTANTIVE AUTHORITY NECESSARY IN ESTABLISHMENT OF A CENTRAL INTELLIGENCE SERVICE

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- 1. There is established in the Executive Office of the President a central intelligence service, to be known as the \_\_\_\_\_\_\_\_, at the head of which shall be a Director appointed by the President. The Director shall discharge and perform his functions and duties under the direction and supervision of the President. Subject to the approval of the President, the Director may exercise his powers, authorities and duties through such officials or agencies and in such manner as he may determine.
- 2. There is established in the \_\_\_\_\_\_ an Advisory Board consisting of the Secretary of State, the Secretary of War, the Secretary of the Navy, and such other members as the President may subsequently appoint. The Board shall advise and assist the Director with respect to the formulation of basic policies and plans of the \_\_\_\_\_.
- 3. Subject to the direction and control of the President, and with any necessary advice and assistance from the other Depart-



ments and agencies of the Covernment, the \_\_\_\_\_\_shall perform the following functions and duties:

- (a) Coordination of the functions of all intelligence agencies of the Government, and the establishment of such policies and objectives as will assure the integration of national intelligence efforts;
- (b) Collection either directly or through existing Government Departments and agencies, of pertinent information, including military, economic, political and scientific, concerning the capabilities, intentions and activities of foreign nations, with particular reference to the effect such matters may have upon the national security, policies and interests of the United States;
- (c) Final evaluation, synthesis and dissemination within the Government of the intelligence required to enable the Covernment to determine policies with respect to national planning and security in peace and war, and the advancement of broad national policy;
- (d) Procurement, training and supervision of its intelligence personnel;
  - (e) Subversive operations abroad;
  - (f) Determination of policies for and coordination of





facilities essential to the collection of information under subparagraph "(b)" hereof: and

- (g) Such other functions and duties relating to intelligence as the President from time to time may direct.
- 4. The \_\_\_\_\_ shall have no police or law-enforcement functions, either at home or abroad.
- 5. Subject to Paragraph 3 hereof, existing intelligence agencies within the Government shall collect, evaluate, synthesize and disseminate departmental operating intelligence, herein defined as intelligence required by such agencies in the actual performance of their functions and duties.
- 6. The Director shall be authorized to call upon Departments and agencies of the Jovernment to furnish appropriate specialists for such supervisory and functional positions within the \_\_\_\_\_\_ as may be required.
- 7. All Government Departments and agencies shall make available to the Director such intelligence material as the Director, with the approval of the President, from time to time may request.
- 8. The \_\_\_\_\_\_shell operate under an independent budget.
  - 9. In time of war or unlimited national emergency, all pro-

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military operations shall be coordinated with military plans and
shall be subject to the approval of the Joint Chiefs of Staff.
Parts of such programs which are to be executed in a theater of
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Commander.
10. Within the limits of such funds as may be made available
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quired in the performance of the functions and duties of the
. The Director may provide for the internal
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manner as he may determine.

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offered no objections to this but insisted that, whatever the composition of the Board, the Director be free administratively to run his job, responsible as is a general manager to a Board of Directors. I talked also to State about this and they feel they must be consulted in the selection of the Director.

In discussing this matter with responsible officers in the intelligence field I have been surprised at their lack of understanding of the necessity for a sound intelligence organization, an organization comprising a central service in which career officers and civilian experts working together synthesize all available intelligence on the policy level, and estimate, before the event, political and military developments.

William J. Donovan Director

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DONOVAN LETTER TO DIRECTOR OF THE BUDGET
WITH ACCOMPANYING "PRINCIPLES WHICH SHOULD
GOVERN THE ESTABLISHMENT OF A CENTRALIZED
U.S. FOREIGN INTELLIGENCE SYSTEM."

The unfortunate publicity given to the Donovan Plan and to JIC 239/5 forced them into a long retirement. Also during the first half of 1945 the tempo of the war in Europe and the Far East was such as to occupy the full energies of all intelligence agencies. Within OSS considerable thought was being given to the theory and principles of field organization for a peace-time secret intelligence system, but the place which that would occupy in a national intelligence organization was left without much published discussion.

Immediately following V-J Day, however, the matter of liquidation of the war agencies came to the front and the OSS was threatened with extinction. In this connection the Bureau of the Bugget played a leading role. This explains why General Donovan raised once more, and this time with Mr. Smith, the question of a centralized intelligence service. It is interesting to note in the letter the clear indication that Donovan personally expected to be out of the picture entirely by the end of the year.

Donovan's presentation again brings forward his proposal to put the centralized service directly under the control of the President, with an advisory board made up of the Secretaries of State, War, Navy and Treasury, or their representatives. The inclusion of Treasury was probably due to the importance which Treasury had assumed as a customer for intelligence because of its great interest in Safe Haven matters and other types of fiscal intelligence and counterintelligence.

It is not clear from the documents whether this renewal of the Donovan idea was the stimulus which drove the JCS to the completion and presentation of their counter-proposal, embodied in JCS 1181/5. It is, however, interesting to note that the date of this document as finally amended, 19 September 1945, was but one day in advance of the announcement of the dissolution of OSS. The division of the OSS corpse between the State and War Departments was ordered to be accomplished by 1 October.

25 August 1945

Mr. Marold D. Smith, Director Bureau of the Budget Executive Office of the President Washington, D. C.

My dear Mr. Smith:

In answer to your communication of August 23, 1945 in reference to further reduction of personnel, we are working under what is in effect a liquidation budget. Within its provisions we have taken steps to terminate many of our operational (as distinct from intelligence) activities and to reduce the remaining parts to a size consistent with present obligations in the Far East, in the occupation of Germany and Austria, and in the maintenance of missions in the Middle Mast and on the Asiatic and Duropean continents.

As our liquidation proceeds it will become increasingly difficult to exercise our functions so that we have found it necessary to set up a liquidating committee with procedures and controls to provide for the gradual elimination of our services in step with the orderly reduction of personnel.

It is our estimate, however, with the strictest economy of manpower and of funds the effectiveness of OSS as a War Agency will end as of January 1, or at the latest February 1, 1945, at which time liquidation should be completed. At that point I wish to return to private life. Therefore, in considering the disposition to be made of the assets created by OSS, I speak as a private citizen concerned with the future of his country.

In our Jovernment today there is no permanent agency to take over the functions which JSS will have then ceased to perform. These functions while carried on as incident to the war are in reality essential in the effective discharge by this nation of its responsibilities in the organization and maintenance of the peace.



Since last Movember, I have pointed out the immediate necessity of setting up such an agency to take over the valueble assets created by 033. Among these assets was the establishment for the first time in our nation's history of a foreign secret intelligence service which reported information as seen through American eyes. As an integral and inseparable part of this service there is a group of specialists to analyze and evaluate the material for presentation to those who determine national policy.

It is not easy to set up a modern intelligence system. It is more difficult to do so in time of peace then in time of wer.

It is important therefore that it be done before the War Agency has disappeared so that profit may be made of its experience and "know how" in deciding how the new agency may best be conducted.

I have already submitted a plan for the establishment of a centralized system. However, the discussion of that proposal indicated the need of an agreement upon certain fundamental principles before a detailed plan is formulated. If those concerned could agree upon the principles within which such a system should be established, acceptance of a common plan would be more easily achieved.

Accordingly, I attach a statement of principles, the soundness of which I believe has been established by study and by practical experience.

Sincerely,

William J. Donovan Director





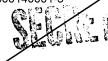
Principles - The Soundness Of Which It Is Believed Has Been Established By Our Own Experience And A First-Mand Study Of The Systems Of Other Nations - Which Should Govern The Establishment Of A Centralized United States Foreign Intelligence System.

The formulation of national policy both in its political and military aspects is influenced and determined by knowledge (or ignorance) of the aims, capabilities, intentions and policies of other nations.

All major powers except the United States have had for a long time past permanent worldwide intelligence services, reporting directly to the highest echelons of their Governments. Prior to the present war, the United States had no foreign secret intelligence service. It never had had and does not now have a coordinated intelligence system.

The defects and dangers of this situation have been generally recognized. Adherence to the following would remady this defect in peace as well as war so





that American policy could be based upon information obtained through its own sources on foreign intentions, capabilities and developments as seen and interpreted by Americans.

I. That each Department of Government should have its own intelligence bureau for the collection and processing of such informational material as it finds necessary in the actual performance of its functions and duties. Such a bureau should be under the sole control of the Department head and should not be encroached upon or impaired by the functions granted any other dovernmental intelligence agency. Because secret intelligence covers all fields and because of possible embarrassment, no executive department should be permitted to engage in secret intelligence but in a proper case call upon the contral agency for service.

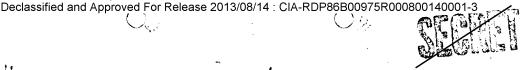
2. That in addition to the intelligence unit for each Department there should be established a national





centralized foreign intelligence agency which should have the authority:

- A. To serve all departments of the Government.
- B. To procure and obtain political, economic, psychological, sociological, military and other information which may bear upon the mational interest and which has been collected by the different Governmental Departments or agencies.
- C. To collect when necessary supplemental information either at its own instance or at the request of any Covernmental Department by open or secret means from other and various sources.
- D. To integrate, analyze, process and disseminate, to authorized Covernmental agencies and officials, intelligence in the form of strategic interpretive studies.
- 3. That such an agency should be prohibited from carrying on clandestine activities within the United



States and should be forbidden the exercise of any police functions either at home or abroad.

4. That since the nature of its work requires it to have status, it should be independent of any Department of the Government (since it is obliged to serve all and must be free of the natural bias of an operating Department). It should be under a Director, appointed by the President, and be administered under Presidential direction, or in the event of a General Manager being appointed, should be established in the Executive Office of the President, under his direction.

5. That subject to the approval of the President or the General Manager, the policy of such a service should be determined by the Director with the advice and assistance of a Board on which the Secretaries of State, War, Mavy and Treasury should be represented.

6. That this agency, as the sole agency for secret intelligence, should be authorized, in the foreign field only, to carry on services such as



espionage, counter-espionage and those special operations (including morale and psychological) designed to anticipate and counter any attempted penetration and subversion of our national security by enemy action.

- 7. That such a service should have an independent budget granted directly by the Congress.
- 8. That it should be authorized to have its own system of codes and should be furnished facilities by Departments of Government proper and necessary for the performance of its duties.
- 9. That such a service should include in its staff specialists (within Covernmental Departments, civil and military, and in private life) professionally trained in analysis of information and possessing a high degree of linguistic, regional or functional competence, to analyze, coordinate and evaluate incoming information, to make special intelligence reports, and to provide guidance for the collecting branches of the agency.

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10. That in time of wer or unlimited national emergency, all programs of such agency in areas of actual and projected military operations shall be coordinated with military plans, and shall be subject to the approval of the Joint Chiefs of Staff, or if there be a consolidation of the armed services, under the supreme commander. Parts of such programs which are to be executed in the theater of military operations shall be subject to control of the military commander.



#### LETTER FROM PRESIDENT TRUMAN

TO GENERAL DONOVAN

20 September 1945

The letter belongs in this collection of documents because of its reference in the third paragraph to "the development of a coordinated system of foreign intelligence within the permanent framework of the Government." If it were indicative of nothing else this statement would show that the idea of having an American peace-time, centralized intelligence service had gained sufficient acceptability to permit of public mention without danger of again exciting cries of "Gestapo."

The letter is also interesting because of its clear indication of the President's desire to preserve the assets of OSS for use in peace-time intelligence work. Somewhat similar phraseology was used in the directive transferring the intelligence procurement branches of OSS to the War Department, and it was echoed in the specific directives issued by Secretary Patterson and Assistant Secretary McCloy to General Magruder, who had been asked by them to take over direction of what was then entitled "The Strategic Services Unit" of the War Department.

COPY

20 September 1945

My dear General Donovan:

I appreciate very much the work which you and your staff undertook, beginning prior to the Japanese surrender, to liquidate those wartime activities of the Office of Strategic Services which will not be needed in time of peace.

Timely steps should also be taken to conserve those resources and skills developed within your organization which are vital to our peacetime purposes.

Accordingly, I have today directed, by Executive order, that the activities of the Research and Analysis Branch and the Presentation Branch of the Office of Strategic Services be transferred to the State Department. This transfer, which is effective as of October 1, 1945, represents the beginning of the development of a coordinated system of foreign intelligence within the permanent framework of the Government.

Consistent with the foregoing, the Executive order provides for the transfer of the remaining activities of the Office of Strategic Services to the War Department; for the abolition of the Office of Strategic Services; and for the continued orderly liquidation of some of the activities of the Office without interrupting other services of a military nature the need for which will continue for some time.

I want to take this occasion to thank you for the capable leadership you have brought to a vital wartime activity in your capacity as Director of Strategic Services. You may well find satisfaction in the achievements of the Office and take pride in your own contribution to them. These are in themselves large rewards. Great additional reward for your efforts should lie in the knowledge that the peacetime intelligence services of the Government are being erected on the foundation of the facilities and resources mobilized through the Office of Strategic Services during the war.

Sincerely yours,

HARRY S. TRUMAN

JOINT PROPOSAL OF THE SECRETARIES OF STATE,
WAR AND NAVY FOR A CENTRAL INTELLIGENCE
AGENCY

As a result of the various criticisms the McCormack plan was entirely eliminated. On 7 January the three Secretaries submitted their unanimous recommendation to the President, together with a draft directive for setting up the National Intelligence Authority and the Central Intelligence Agency. The directive differs from the proposal put forward by the Joint Intelligence Committee almost exactly one year earlier only in the regard that the latter recommended an independent budget for the NIA, whereas the draft directive proposed that funds should be drawn from the departments participating in the NIA. The reason for this difference has already been pointed out.

Declassified and Approved For Release 2013/08/14 : CIA-RDP86B00975R000800140001-3 WILLIAM OV.





January 8, 1946

MEMORANDUM FOR GENERAL MAGRUDER:

For your information  ${\bf I}$  enclose a copy of a memorandum sent to the President yesterday by the Secretaries of State, War and Navy, enclosing a proposed order establishing a Central Intelligence Agency.

As you will note, the plan proposes a general structure and contains a statement of functions, but leaves undecided most of the questions that have been under discussion between the service departments and the State Department.

> Alfred McCormack Special Assistant to the Secretary

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COLLECTIAL

January 7, 1946

My dear Mr. President:

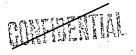
Pursuant to your letter of September 20, 1945, addressed to the Secretary of State, we have constituted ourselves an inter-departmental group to formulate a plan for your approval for a comprehensive and coordinated foreign intelligence program for all federal agencies concerned with that type of activity.

After extensive study, we have unanimously agreed to recommend to you the plan which is attached hereto.

This plan takes the form of a directive establishing a Matienal Intelligence Authority, composed of the Secretaries of State, War and the Navy, which is charged with the responsibility for such everall intelligence planning and development and such inspection and coordination of all Federal intelligence agencies as to assure the most effective accomplishment of the intelligence mission related to the national Security. The directive further provides that the Matienal Intelligence Authority shall establish a Control Intelligence Agency, headed by a Director to be appointed

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by the President on the recommendation of the National Intelligence Authority. The Director is to be advised by an Intelligence Advisory Beard, consisting of the heads of the principal military and civilian intelligence agencies having functions related to the national sacurity.

Fou will note that the plan set forth in the directive contemplates that the Authority, assisted by the Director and the Intelligence Advicory Board, will prepare and submit to you for your approval a basic organisational plan in accordance with the principles set forth in the directive. It is believed to be desirable that the details of the organization should be worked out in the first instance by the officials who will be responsible for its performance.

Accordingly, we recommend that you sign the attached directive.

Faithfully yours,

Secretary of State

Acting Secretary of War

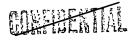
Secretary of the Navy

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### DIRECTIVE REGARDING THE COORDINATION OF INTELLIGENCE ACTIVITIES

In order to provide for the development and coordination of intelligence activities related to the national security:

- 1. A Mational Intelligence Authority composed of the Secretaries of State, War and the Navy is hereby established and charged with responsibility for such overall intelligence planning and development, and such inspection and coordination of all Federal intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.
- 2. To assist it in that task the National Intelligence Authority shall establish a Central Intelligence Agency headed by a Director who shall be appointed or removed by the President on the recommendation of the National Intelligence Authority. The Director of the Central Intelligence Agency shall be responsible to the National Intelligence Authority and shall sit as a non-voting member thereof.
- 3. The Director of the Central Intelligence Agency shall be advised by an Intelligence Advisory Board consisting of the heads of the principal military and civilian intelligence agencies having functions related to the national security, as determined by the National Intelligence Authority.
- 4. The first duty of the National Intelligence Authority, essisted by the Director of the Central Intelligence Agency and the Intelligence Advisory Board, shall be to prepare and submit to the President for his approval a basic organizational plan for implementing this directive in accordance with the concept set forth in the following paragraphs. This plan should include drafts of all necessary legislation.)
- 5. Subject to the direction and control of the National Intelligence Authority, the Central Intelligence Agency shall:
  - (a) Accomplish the synthesis and evaluation of departmental intelligence relating to the national security and other information collected by it and the appropriate dissemination within the government of the resulting dtrategic and national policy intelligence.



- (b) Plan for the coordination of the activities of all intelligence agencies of the government having functions related to the national accurity and recommend to the National Intelligence Authority the establishment of such overall policies and objectives as will assure the most effective accomplishment of the national intelligence mission.
- (e) Perform, for the benefit of departmental intelligence agencies, such services of common concern so the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.
- (d) Perform such other functions and duties related to intelligence as the President and the National Intelligence Authority may from time to time direct.
- 6. The Central Intelligence Agency shall have no police or law enforcement functions.
- 7. Subject to coordination by the National Intelligence Authority, the existing intelligence agencies of the government chall continue to collect, evaluate, synthesise and disseminate departmental operating intelligence, herein defined as that intelligence required by the several departments and independent agencies for the performance of their proper functions. Such departmental operating intelligence as designated by the National Intelligence Authority shall be freely evailable to the Central Intelligence Agency for synthesis. As a proved by the National Intelligence Authority, the operations of the departmental intelligence agencies shall be open to inspection by the Central Intelligence Agency in connection with its planning functions. In the interpretation of this paragraph the National Intelligence Authority and the Central Intelligence Agency will be responsible for fully protecting intelligence sources and methods which, due to their nature, have a direct and highly important bearing on military operations.
- 8. Funds and personnel for the National Intelligence Authority shall be provided by the departments participating in the National Intelligence Authority in amount and proportions to be agreed upon by the members of the Authority. Within the limits of the funds made available to him the Director of the Central Intelligence Agency may employ necessary personnel and make provisions for necessary supplies, facilities and services. With the approval of the National Intelligence Authority, he may call upon departments and independent agencies to furnish such specialists as may be required for supervisory and functional positions in the Central Intelligence Agency, including the assignment of military and naval personnel.

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# TOP SECRET

26 JUN 1947

The Honorable Clare Holiman, Chairman House Committee on Expenditures in the Executive Departments House Office Building Washington 25, D. C.

My dear Mr. Chairman:

It has been brought to our attention that numerous newspaper articles have stated that the Central Intelligence Group has usurped various departmental intelligence functions and forced established organizations out of the field. These charges have been particularly leveled at the operation by the Central Intelligence Group of clandestine intelligence activities. These charges are not true.

It has long been felt by those who have successfully operated clandestine intelligence systems that such work must be centralized within one agency. As a corollary to this proposition, it has likewise been proven that a multitude of espionage agencies results in two shortcomings: first, agents tend to uncover each other or block each other's funds or similarly neutraline each other, being unaware of identical objectives; second, each agency tends to heard its own special information or attempts to be the first to deliver a choice piece of information to higher authorities. This latter type of competition does not permit the overall evaluation of intelligence on a given subject, as each agency is competing for prestige.

For the reasons cited above, which were highlighted by experience during the last war, it was felt inadvisable, after due study by interdepartmental committees, to permit the several departments to conduct independent clandestine operations. For this reason, the National Intelligence Authority, under date of 8 July 1946, issued the following directive, which is quoted in part:

"Pursuant to the President's Letter of 22 January 1946, designating this Authority as responsible for planning, developing and coordinating all Federal foreign intelligence activities, so as to insure the most effective accordinate of the intelligence mission related to the national security, . . . . the Director of Central Intelligence is hereby directed to perform the following services of common concern, which this Authority has determined can be more efficiently accomplished centrally: Conduct of all organized Federal espionage and counter-espionage operations outside the United States and its possessions for the collection of foreign intelligence information required for the national security. . . . . "



# IOP-SEURET

This Authority reaffirms this directive as of the utmost importance to the national security, for the reasons outlined above. Similarly, the Central Intelligence Group should be free to assume, under our direction, or the subsequent direction of a National Security Council, the performance, for the benefit of the intelligence agencies of the Government, of such services, of common concern, including the field of collection, as this Authority or a subsequent Council determines can be more efficiently performed centrally.

Sincerely yours,

Secretary of State

Secretary of War

Secretary of The Navy

Personal Representative of the President



#### 3

#### DONOVAN MEMORANDUM TO THE PRESIDENT

26 December 1944

The Donovan Plan, embodied in JCS 1181, was passed to the JIC for study, comment and recommendation. In the JIC it became something of a football which was kicked about by way of a series of proposals and counter-proposals for nearly two months. By the end of December these had clarified into two differing proposals, respectively labelled JIC 239/1 and JIC 239/2.

The memorandum here included represents a brief interim report to the President by General Donovan just before he was to take off on one of his frequent field trips.

For the sake of brevity this memorandum has been inserted rather than the very extended minutes of the JIC which record the full discussions of the members.

### 26 December 1944

#### MEMORANDUM FOR THE PRESIDENT

As I am leaving today, I rented to let you know of the present status of the memorandum proposing the establishment of a central intelligence ervice.

It was referred by the JCS to the JIC for comment and recommendation through the Joint Strategic Survey Committee.

The JIC Committee has produced two counter proposals:

one by representatives of the military agencies and the other by representatives of State, FEA, and OSS. These two counter proposals differ from each other so fundamentally in approach, concept, and scope as to be irreconcilable.

Early Committee. The proposal of the civilian agencies closely follows the original proposal to you. It is based upon the premise that the end product of intelligence activity must be a complete synthesized estimate upon which policy with reject to the national security as a whole may be safely based.

Thile a proving the a pointment of the Director by the President, as suggested by me, the civilian paper would have the Director instead of reporting to the President, rejorting to the

Board, consisting of the Secretaries of Tar, State, and Mary.

The Board would ket the policies but the Director would have the administrative power to carry them out.

The projosed of the military members is not yet finalized. As now drafted it evades early action. It is concerned primarily with national security in its narrow sense. Strictly military in its concept, it a prosches the problem of providing national policy intelligence from the departmental soint of view. It provides for a minimum of centralization and so undertakes to restrict the authority of the Director show they wish a pointed by the Cabinet Secretaries, acting jointly.

The effect of this paper would eliminate little of the existing confusion. At the request of the Strategic Eurvey Board I appeared before it and explained the theory underlying the primary paper and the manner of administration.

From the quentions and comments of the members, I judge that they recognize the necessity of establishing such a system but once the Director is appointed by the President they sak that he rejort to the Board rather than to the President. The ground taken is the inadvisability of having so many individual agencies reporting directly to the President. I stated that this was a matter for Presidential decision.

Also they expressed the view that they would like to have